



**Department of Justice
U.S. Attorney's Office
Southern District of Texas**

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**ALLEGEDLY FALSE BUSINESS LOSS CLAIMS ON TAX RETURNS
LEADS TO INDICTMENT**

HOUSTON, TX – Glen Alan Banks has been indicted for assisting in the preparation of false income tax returns for other tax payers. United States Attorney Don DeGabrielle today announced the arrest of Banks on Wednesday, April 5, 2006, by agents of the Internal Revenue Service Criminal Division (IRS-CI), prompted by the return on March 30, 2006, of a 29-count indictment. Banks appeared before a U.S. Magistrate on the day of his arrest and was ordered held in federal custody without bond on the motion of the United States until his trial scheduled for May 30, 2006. Banks was also arraigned on the charges on Wednesday entering a plea of not guilty to all counts alleged in the indictment.

Banks is charged in each of the 29 counts that accuse him of willfully aiding and assisting in preparation of materially false and fraudulent U.S. Individual Income Tax Returns, Forms 1040, for taxpayers for tax years 2003, 2002, and 2001.

According to the indictment, although Banks allegedly knew and believed the taxpayers were not entitled to claim "Schedule C" or business income losses in the amounts represented on their Individual Income returns, the 1040 forms falsely claimed losses ranging from approximately \$13,000 to \$92,000. The 29 counts allege Banks aided and abetted the filing of false claims for business losses totaling more than \$3.2 million on the U.S. Individual Income Tax Returns of a total of 12 taxpayers for one or more of the 2001, 2002 and 2003 tax years.

Each of the 29 counts carries a maximum penalty of three years in federal prison, without parole, a \$100,000 fine, and a year of supervised release upon conviction.

The charges are the result of an investigation conducted by the Houston field office of the Criminal Investigation Division of the Internal Revenue Service under the Department of the Treasury. The case is being prosecuted by Assistant United States Attorney Stephen Corso.

An Indictment is a formal accusation of criminal conduct, not evidence. The public is reminded that defendants are presumed innocent unless and until convicted through due process of law.

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